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February 6, 2002

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**FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY**

Hon. Marlene Dortch
Secretary
Federal Communications Commission
445 12th Street S.W.
Washington, D.C. 20551

Dear Ms. Dortch:

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RE: **MB** Docket No. 02-277 (Biennial Review of
Broadcast Ownership Rules)

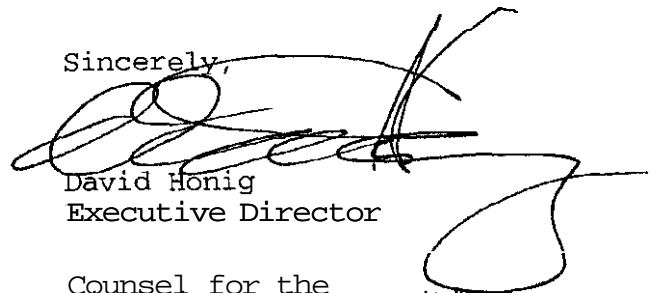
MM Docket No. 01-235 (Broadcast/Newspaper
Crossownership)

MM Docket No. 01-317 (Local Radio
Ownership)

MM Docket No. 00-240⁴ (Definition of Radio
Markets)

The attached Address by Hugh Price, President,
National Urban League (FCC Martin Luther King
Observance, FCC Diversity Series, January 30,
2003) is respectfully submitted for the record
in this proceeding. The National Urban League
is among the Diversity and Competition
Supporters.

Sincerely,



David Honig
Executive Director

Counsel for the
Diversity and Competition
Supporters

Attachment

/dh



NATIONAL URBAN LEAGUE

Hugh Price
President
National Urban League

Martin Luther King Observance

FCC Diversity Series
January 30, 2003

On behalf of the National Urban League, our Board of Trustees, and our more than **100** Urban League affiliates across the country, I want to thank Chairman Mike Powell, the Commissioners of the FCC, Barbara Douglas, and other members of the staff for inviting me to speak at your Martin Luther King observance.

It is quite fitting for the FCC to commemorate Dr. King because he was a moral leader and visionary. What's more, he had a **masterful** understanding of how to utilize the media to advance social justice and equality. Dr. King's dream is as vibrant and relevant *for* the FCC's mission today as it's ever been.

I was very touched by Chairman Powell's *moving* comments about growing up in Birmingham, Alabama. I visited that city just a few weeks ago. I toured the Civil Rights Institute there, which contains a mock-up of **Dr.** King's jail cell where his celebrated letter was written. The bars from the actual jail cell are there. There's also the burned out hulk of one of the Freedom Riders' buses.

It's an especially noteworthy sign of how far America has come, and how much racial progress we've made, that in the city of the notorious "Bull" Connor, new recruits to the city's police department are required to tour the Civil Rights Institute as part *of* their job training.

Another indicator of the distance we've traveled toward Dr. King's dream is that fact that when I was growing up in Washington, DC, a dear family friend was **E.** Frederick Morrow. He worked for President Eisenhower and wrote a book called, *Black Man in the White House*. Today, another treasured friend is the Secretary of State, Colin Powell, the highest-ranking African American in **the** history of public service.

As president of the National Urban League, I lead the oldest and largest community-based movement empowering African Americans to enter the economic and social mainstream. Our "three-pronged" strategy for pursuing this mission is:

- Education and Youth – Ensuring that our children are well educated and equipped for economic self-reliance in the 21st century;
- Economic Self Sufficiency – Helping adults attain economic self-sufficiency through good jobs, home ownership, entrepreneurship, and wealth accumulation; and
- Racial Inclusion – Ensuring our civil rights by eradicating all barriers to equal participation in the economic and social mainstream of America.

I have worked in and around the media for much of my professional life. Very early in my professional career, I served as executive director of the Black Coalition of New Haven, CT. We received considerable press attention back then. It was quite an ego trip for someone in his mid-20s. We'd hold a press conference during the day, then I'd watch myself on the evening news later on.

In the early 1980s, I served on the editorial board of the New York Times, another heady experience. I moved on to WNET/Thirteen, the public television station in New York City. Initially, I oversaw the local broadcasting operation and then ran the national division that produced many celebrated series for PBS. Since becoming president of the League, dealing with the media has been a major part of my job.

So, I have observed and interfaced with the media from many vantage points over the course of my career. That is why I believe so passionately in the importance of promoting and preserving diversity in media employment and ownership.

Dr. King obviously understood the power of visual symbols conveyed on television. He used his mastery of language to galvanize the country and capture the hearts of Americans via radio and TV. Martin Luther King fundamentally changed the sociology and values of this country.

Just imagine if Martin's message had been frozen out by the media because it wasn't deemed newsworthy by news directors. Or, if it had been categorized as dangerous, too liberal, or inconsequential. Contemplating that possibility underscores the importance of diversity in my view.

Let me further illustrate my point by describing the Urban League movement's efforts to boost the academic achievement of our children. Most people agree that improving public education is the primary domestic challenge of our time -- once we get the economy back on track, of course.

There's a perception out there, buttressed by fact, that too many black children aren't committed to achievement and many think it isn't "cool." That parents aren't as engaged as they need to be. That civil rights and other black organizations are doing nothing or not nearly enough to reverse this situation.

That's why, roughly seven years ago, the Urban League launched our Campaign for African-American Achievement in collaboration with churches, sororities, fraternities, and civic groups.

Since we got started with the Campaign, we've successfully spread the gospel that "Achievement Matters." One way we've done so is by creating a National Achievers Society. It's a community-based honor society for youngsters who've earned B averages or better in school. We've inducted more than 25,000 youngsters since the Achievers Society got started.

The induction ceremonies take place in black churches. Picture the ceremony that occurred in June of 2001 at Bayview Baptist Church in San Diego. We inducted 350 achievers. Half of them were boys! In the audience were upwards of 800 parents and well-wishers, all there to cheer them on. More than 1,000 people, all totaled, there in church for nearly three hours to celebrate achievement and our young achievers.

In Columbia, **SC**, our Urban League staged an SAT awareness rally that drew 600 black high school students. Every September, our affiliates and their local campaign partners hold block parties, street festivals and parades to celebrate youngsters who are "doing the right thing" by striving to excel in school and by serving their communities. Our affiliates stage local education summits that routinely draw 500 to 1,000 participants, including parents, educators, and policymakers.

The bottom line is that we've turned tens of thousands of African-American kids onto achievement. We've helped spawn a grassroots achievement movement in our community.

Given the national importance of boosting academic achievement, especially among black children who've been lagging behind, you'd think our Achievement Campaign would be a magnet for media coverage. Think again. It's really been a struggle getting the media, particularly the national media, to pay attention to our young achievers, to our efforts to get parents involved, and to our crusade to galvanize communities to spread the gospel of achievement.

The fact of the matter, in our experience, is that BET is the only national television or cable network that has consistently covered our Achievement Campaign. To the best of my recollection, not one other national **TV** or cable network has covered our induction ceremonies, parades, or achievement rallies. Nary a one in nearly seven years, even though **we** try hard to alert them and interest them.

Now, if I'm game to go on a cable newscast to lambaste Baraka about his poem, or fuss about what Harry Belafonte said about Secretary of State Powell, there's no problem getting on the air.

But, we've been utterly shut out and shut off when it comes to securing national television coverage for our successful efforts to spread the gospel of achievement to black children and their parents.

For all the brickbats hurled at BET, I shudder to think of a national media landscape without the federal commitment to diversity that enables and encourages the existence of a BET. At least there's been one national television network that considers our campaign to boost the academic achievement of black children worthy of coverage, not to mention coverage that's been consistent and thoughtful over the years.

Local television coverage has been somewhat more generous, if unpredictable. The induction ceremony for our National Achievers Society in Ft. Lauderdale last December drew little if any local television coverage, despite heavy promotion in advance.

On radio we've enjoyed some gratifying success with the stations run by Radio One, the minority-owned radio company, with the minority-owned news service known as American Urban Radio, and with other local urban-oriented radio stations. Coverage on local commercial all-news stations has proven to be a much iffier proposition.

Although newspapers don't fall under FCC jurisdiction, it's worth noting that black-owned newspapers have covered our Achievement Campaign with gusto. Local mainstream papers have covered **us** as well from time to time. With the exception of ***USA Today***, *Education Week*, and some syndicated columnists, we've received no other coverage to speak of in national newspapers.

I understand that news directors, editors, and reporters must decide what's newsworthy. But, it's also a fact that but for the interest and commitment of minority-owned broadcast companies, the concerted efforts of the 93-year-old National Urban League to impact a national issue of paramount importance, namely the underachievement of African-American children, would go virtually uncovered by so-called mainstream media organizations that reach mass audiences.

That is why diversity of media ownership and diversity in media employment practices – from the station managers and news directors to the guest bookers and the reporters – matter so very much to our community and to the country.

On behalf of the Urban League movement, I salute Chairman Powell and the Commissioners of the FCC for conducting the public hearing on equal employment

opportunity and, above all, for promulgating new rules to encourage diversity and inclusion in employment within the media industry.

This is a tough political and legal climate for taking a strong stand like that and we commend you for your foresight and fortitude. I realize the Commission might not have been able to go as far as you'd like, but the measures you announced will encourage equal employment opportunity and diversity. We were especially gratified to learn that many broadcasters have endorsed your initiative.

There's an important ancillary benefit worth noting. Boosting minority employment in the media will enhance ownership diversity as well. That's because management experience in broadcasting is key to eventual ownership. Thanks to the FCC's equal opportunity employment rules, young minority managers and executives can acquire invaluable experience and be groomed to become owners some day.

President Bush recently touted the virtues of diversity in a nation undergoing rapid and robust demographic change. To paraphrase an observation about higher education by the late A. Bartlett Giamatti, broadcasting should be a tributary to America, not an enclave from it.

Minority ownership of the media has the potential to extend Dr. King's dream by thoughtfully shaping public perception, understanding and opinion when it comes to race and ethnicity, equality and opportunity, and merit and diversity. We welcome the recently announced Radio One/Comcast deal and believe it will contribute to the diversification of the ownership and programming landscape.

My fellow African-American leaders are exasperated by the paucity of opportunities to comment on broad issues of national policy. Minority-owned stations at least provide a platform for us to be heard on broader issues and to reach both ethnic and general audiences that are searching for a diversity of viewpoints.

We acknowledge the growth of broadcast outlets – over the airwaves, on cable, via satellite, and in cyberspace. But abundance and diversity aren't identical when accompanied by a concentration of ownership and homogeneity of outlook and life experience.

Looking ahead, the challenge before the FCC is to devise effective mechanisms for promoting ownership diversity that are politically and legally defensible. I sympathize with the fact that the FCC must justify ownership limitation rules anew every two years and that, as Chairman Powell has cautioned, the Commission's actions must be based on empirical analysis as opposed to anecdotes and emotion. As you've heard, our experience squares with the Chairman's belief that the public interest is served by localism, diversity, and competition.

The empirical evidence of the continuing need for ownership rules promoting diversity is clear to me. For instance, I gather that minority ownership of full-power

television stations has declined noticeably from 33 in 1999 to 20 as of December 2002. In the realm of radio, the number of minority-owned stations has increased, but the number of actual minority owners of radio stations has declined.

Drawing on the model of those successful EEO hearings, I strongly urge the FCC to conduct public fact-finding hearings on diversity in media ownership. This quite fittingly would coincide with the 25th anniversary of the Commission's original minority ownership policy statement in 1978. The hearing would help create a public record that lays the foundation for a policy statement, regulations and legislation supporting diversity in media ownership.

At this hearing, the Commission could invite testimony and written statements on a variety of topics, among them:

- The trend lines and current state of play in minority media ownership;
- Real and perceived barriers to entry, independence, survival, durability, profitability and prosperity; and
- Innovative and sustainable approaches to advance diversity of ownership in the contemporary legal and political context.

As an alumnus of public broadcasting, please allow me to digress by underscoring the enduring need for a robust and healthy system of public radio and television. I've often thought of **PBS** as the research and development division of the broadcasting industry. After all, it's the source of landmark documentary series like "Eyes on the Prize" and "The Civil War," of penetrating and highly topical series like "Frontline," and of resurrected music forms like Doo Wop.

These unique programming needs are seldom met by market-oriented broadcasters. What's more, with the injection of more and more entertainment, froth and raw opinion into the news, Americans need measured and serious discussions and analysis of current affairs by authentic experts instead of screaming heads. It's for these reasons and plenty more that I urge the FCC to be vigilant in protecting and promoting public broadcasting.

Now let me turn to the "digital divide." Just a few years ago, there was lots of angst about a yawning gap in computer ownership and Internet usage along ethnic and economic lines. Thankfully, according to "Kids Count," we've made considerable progress of late.

For instance, Internet usage by African Americans has grown at an average annual rate of 31 percent. That's the fastest growth rate of all ethnic groups. The proportion of low-income youngsters using computers in school is fast approaching the usage rate among high-income students. Only 35 percent of **K-12** public schools were wired **as** of 1994. Today it's pushing 98 percent.

This heartwarming progress is a tribute to the FCC, which pressed the issue very hard. I think especially of the current chairman and commissioners, your former chair Bill Kennard, Larry Irving of the Commerce Department, our own Urban League movement, and numerous other advocates and organizations that really raised the decibel level about closing the digital divide.

There's no question that intensified competition has helped by driving down the cost of PCs. But the progress is also a function of those federally mandated incentives, subsidies, discounts and grants that paved the way, opened closed doors, brought costs into line and shaped public and private behavior. I speak in particular of the Telcom Act and the E-Rate discounts for schools, libraries, and health clinics. I've read that the E-Rate alone has provided some \$86 in discounts for needy schools during its first four years.

Yet, despite all this headway, much work remains. Stubborn gaps persist in access, ownership and usage in inner city vs. suburban communities, low-income vs. high-income households, and urban vs. rural districts. Poor youngsters are more likely to use home computers for games than for word processing and school assignments. Only 33 percent of low-income children use computers at home, compared with 92 percent of their high-income counterparts. Given the workplace skills required today, we must leave no child behind technologically.

The National Urban League's bottom line is simply this: To promote opportunity and diversity in media ownership and equal access to the Information Highway, we need a combination of market forces and federal leadership.

The market does wondrous things. It generates wealth and opportunity. It spawns creativity and rewards efficiency and execution. It weeds out obsolescence.

But the market often doesn't lift ail boats or plug all holes in the opportunity structure — even where doing so is clearly in the public interest. That's because if the expenditure of resources doesn't promise to produce an attractive economic return that can be justified to shareholders and Wall Street, then the private sector won't take the risk.

Take education. In the world of business, the imperatives that drive market competition are survival of the fittest and extinction of the weakest. Yet in education, the goal is development of all youngsters to their fullest potential.

Or healthcare. The role of employers, providers and insurers clearly is vital. Yet the modern healthcare system is in shambles. In America, there are 43 million uninsured people and counting. The healthcare system is tilted strongly toward treatment instead of prevention. African Americans face sharp disparities in the access, affordability and quality of care.

These monumental problems transcend the ability of health care providers and private insurers to solve on their own. That's why the federal government must bring order and fairness to the system, by figuring out how to provide quality health care that is affordable and accessible to all.

To advance the legitimate goals of media diversity and technological access and literacy for all, proactive federal leadership is imperative and inescapable. Such diversity in media employment and ownership as we have now is a direct result of visionary FCC leadership and federal legislation. To the extent the digital divide has begun to narrow, it's substantially the product of federal pressure.

The time-honored function of federal legislation, appropriations, regulations and tax policy is to induce and underwrite socially desirable behavior and to go where the market dare not tread, at least for the time being.

Look at how the revitalization of inner cities came about. The economies of these communities collapsed in the 1950s and '60s with out-migration of industry and good-paying jobs. These urban neighborhoods became unappealing environments for private investors and entrepreneurs.

The revitalization, indeed the gentrification, of inner cities began with the introduction of what might be called pre-market measures. Foundations got into the act early on by supporting neighborhood-based community development corporations. The federal government established an agency, known as the Office of Economic Opportunity, which underwrote the CDCs as well. Federal subsidies flowed to nonprofit groups to build below-market-rate housing.

Along came enterprise zones, black capitalism, and the war against crime. Over time, economic and social conditions began to normalize. National retailers and food service chains discovered anew that urban neighborhoods are populated with working people who hold jobs and have purchasing power to be tapped. Preservationists and developers started lusting over the architecturally attractive structures worth restoring. The pre-market neighborhood morphed into a community that appealed to the market. But it took public sector leadership and incentives to trigger and subsidize the transformation.

A good friend of mine, the great minister Dr. James Forbes of Riverside Church in New York City, often exhorts his congregation to "tangibilitate" the gospel. To make it real.

In closing, I urge the FCC to "tangibilitate" Martin Luther King's dream by using your leverage and your leadership to promote opportunity, access and diversity in the realm of communications that is so essential to the development of our young people and the cultivation of an informed and engaged citizenry.